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**From:** Tomasko, Michael (MRC)  
**Sent:** Thursday, November 05, 2009 11:42 AM  
**To:** Hanchett, James (DPH)  
**Subject:** Latest From SEIU

**On Monday, November 3, the Local 509 state worker bargaining team came to a tentative agreement with the state.**

In the current fiscal crisis, **the Massachusetts legislature has made it clear that there is no chance that the 2008-2011 union contract will be funded.** We face hundreds of layoffs and service cuts with many more to come, as well as substantial increases in our health insurance costs. **Our bargaining team had to make some tough choices. The vote to accept this was almost unanimous.**

While some of the details remain to be worked out, the framework of the agreement is below. In the coming weeks, a final agreement and a new contract will be sent out for ratification. We will hold building meetings across the state to discuss the agreement.

The following furlough schedule would be required of all bargaining unit members if, and only if, the union contract as described below is funded by the legislature:

<u>Annual wage</u>	<u>Furlough days</u>
Less than 50K	1.5 days
50-60K	2.5 days
60-70K	3 days
70K+	4 days

Differentials and incentives would not be included in calculation of salary.

Employees could choose one the following two options:

1. No work and no pay
2. Work, no pay, and get furlough/vacation time for each day of furlough.

Employees who get furlough/vacation time must use it before Dec. 31, 2010.

We have proposed that the furlough/vacation time be used in the same manner as regular vacation time is used.

As part of the agreement, **the administration has agreed to not increase co-pays or deductibles through the Group Insurance Commission, nor to seek another increase in employee's share of premiums through fiscal year 2011.**

Each of the union contract pay raises would be rolled forward one year. So, our members would receive a 1% increase in Jan. 2010, 3% in Jan. 2011, and 3% in Jan. 2012. All step increases would continue.

**By agreeing to the furloughs, we will be securing a 7% increase over the next three years.**

This furlough of Local 509 members would save the state approximately \$4.05 million this fiscal year.

The state agreed to aggressively review the use of 120 day appointments, contractors, and managers in state programs.

Employees who have already done furloughs/WorkShare will not need to participate in this furlough plan if they have already contributed the number of days specified.

Similarly, we have proposed that a group of Department of Corrections members who recently were assigned comp time in lieu of holiday pay be allowed to substitute a comp day for the furlough time. The state is considering this proposal.

Savings would offset future layoffs and possibly recently announced layoffs.

Employees could have all the money deducted at once or over the remainder the fiscal year.

Employees may choose to take additional voluntary furlough days, if they wish, to avoid layoffs.

In the event that there are some layoffs, employees laid off who chose the "Work, no pay, and get furlough/vacation" option can cash in unused furlough/vacation time.

A limited Early Retirement Plan is being considered by the administration. We should know more about it soon.

There are some issues still to be worked out. Once the details become clear, we will keep you posted.

While we are confident that this agreement is the best way to protect the economic security for our members, unfortunately a state employee bargaining unit represented by NAGE recently agreed to eight furlough days with no guarantees on health insurance or contract funding.

Similarly, some unions have actively promoted plans which will add more stress to our under-funded state pension system and put all pensions at risk in the future. We support a responsible early retirement plan; we reject any "Ponzi Scheme" approach that weakens the pension system.

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Unit Supervisor

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